Testimony of
Kirsten LC Figueroa, Commissioner
Department of Administrative and Financial Services

Before the Joint Standing Committees on
Appropriations and Financial Affairs and Taxation

“An Act Making Supplemental Appropriations and Allocations for the
Expenditures of State Government, General Fund and Other Funds, and
Changing Certain Provisions of the Law Necessary to the Proper Operations
of State Government for the Fiscal Year Ending June 30, 2021”

January 25, 2021

Good morning Senator Breen, Representative Pierce, and members of the Joint Standing Committee on Appropriations and Financial Affairs; Senator Chipman and Representative Terry and members of the Joint Standing Committee on Taxation. My name is Kirsten Figueroa, and I am the Commissioner of the Department of Administrative and Financial Services. I am here today to present the fiscal year 2021 supplemental budget bill.

Governor Mills has submitted to the Legislature a supplemental budget proposal for Fiscal Year 2021 and a biennial budget proposal for Fiscal Years 2022-2023 that focus on maintaining vital services and increasing savings without creating new programs. The budgets are balanced as required by the Constitution and include efficiencies, good fiscal management and curtailments to cover projected revenue shortfalls for all three fiscal years. The budgets do not change Maine tax rates and do not dip into the Budget Stabilization Fund; in fact, they add to the state’s savings in order to plan for a future made unpredictable due to the ongoing pandemic. The proposed budgets focus on combatting COVID-19 by continuing to rebuild the State’s public health infrastructure and protecting essential health care, education, and life-saving services.

Before we get into the specifics, it’s important to recap the last year.

First, in March 2020, the Governor worked with the Legislature to enact a bipartisan supplemental budget, limited in scope to primarily address the needs of COVID-19, which reduced spending commitments and set aside at that time $184 million.
Second, also at the onset of the pandemic, the Governor instructed departments to implement frugality measures, including freezing certain hiring and restricting access to unencumbered balances – those measures remain in place.

Due to the substantial impacts of COVID-19, the Consensus Economic Forecasting Commission (CEFC) and the Revenue Forecasting Committee (RFC) met for off-cycle reports during the summer. On September 9, 2020, we identified $422 million in strategies to put the budget back in balance, including a $222 million curtailment order later signed by Governor Mills.

Throughout, Governor Mills has successfully solicited and strategically utilized federal pandemic relief, which has brought more than $8 billion to Maine significantly stimulating Maine’s economy. Of this approximately $8 billion, about $4.7 billion was awarded directly to Mainers and Maine institutions (e.g. via the Paycheck Protection Program, provider relief, higher education systems, etc.) while approximately $2.8 billion passed through State government, the majority of which was enhanced unemployment benefits and the $1.25 billion in Coronavirus Relief Funds.

I want to specifically call out that $1.25 billion in federal Coronavirus Relief Funds, which Governor Mills dedicated judiciously and strategically – and transparently.

You can review all of the details of our CRF efforts through the Governor’s numerous press releases and via a page of the Bureau of the Budget’s website specifically dedicated to COVID-19 federal funding. As you’ll see there, the Administration provided significant funding to Maine’s public school systems to help them provide safe in-person learning opportunities and to adjust to hybrid- or fully remote-learning options, including purchasing remote learning devices for students and partnering with Internet Service Providers to expand broadband.

Additionally, this Administration harnessed CRF for the State’s response to COVID-19 and related public health and safety efforts, including the procurement of PPE for Maine’s healthcare network; grants for municipalities to deploy public health and prevention programs; child care; pandemic assistance for people who are homeless, minorities, food insecure, and otherwise marginalized; and a strong COVID-19 testing and laboratory infrastructure.
Additionally, the Governor committed nearly half of Maine’s CRF to support Maine’s small businesses and workers. For example, the Administration provided $294 million to bolster the Unemployment Trust Fund thereby avoiding a large hike in costs to Maine employers – and provided more than $250 million in economic recovery grants to help sustain business operations.

Just as we were wrapping up the commitment of CRF, as part of its traditional December report, thanks in large part to the stimulating impact of Federal relief, the RFC boosted its previously downgraded revenue forecast, projecting a $255 million shortfall for FY21 as a result of COVID-19 (up from their originally predicted shortfall of $528 million). Similarly, the RFC ratcheted up expectations for FY22 and FY23, projecting a $396 million shortfall for the biennium as a result of COVID-19 (up from their originally predicted shortfall of $883 million). Though still below pre-pandemic figures, the COVID-related shortfall we were initially expected to experience in just one fiscal year has now, in effect, been spread over three years.

It is this hard work amid the global pandemic to keep the ship steady that makes it possible for Governor Mills to submit to the Legislature balanced proposals that cover shortfalls caused by the pandemic for this current fiscal year and FY22-23, and to maintain critical services so important to Maine families at this time with a focus on combatting COVID-19.

These budgets include initiatives to:
- maximize federal and other resources;
- implement administrative efficiencies;
- utilize unobligated balances;
- balance certain increases in departmental spending with reductions elsewhere;
- continue critical investments in healthcare, education, public health infrastructure and economic and workforce development.

Now to the outline of this Fiscal Year 2021 supplemental. On page 14 of the testimony, we detail on one sheet the Revenue Forecasting changes, the supplemental initiatives that affect transfers, deappropriations and appropriations, and the balance we carry forward into the next biennium. We have also included this separately as Attachment A-1, FY21 Supp Budget Summary.
Specifically, to transfers:

This budget proposes an infusion of $41 million to the Budget Stabilization Fund, bringing the total to just over $300 million.

And, after returning $14.5 million in the Medicaid Stabilization Fund back to the Fund for Healthy Maine, this proposal adds $25.5 million to the Medicaid Stabilization Fund for a total of $40 million in that fund to help plan responsibly for MaineCare expenses.

Specifically, to the deappropriations:

The supplemental budget proposes to deappropriate the items outlined in the curtailment order signed by Governor Mills on September 17, 2020 for a total of $125.1 million. These items are the result of improved federal Medicaid reimbursement (FMAP) for FY21 quarters one and two; switching funding sources for departmental functions; and managing expenses through: hiring freezes for certain vacant positions; delaying technology updates; reduced spending on existing or future contracts; cancelling conferences; postponing and reducing travel due to COVID-related moratoria; delaying projects due to shifting priorities of State personnel as they work diligently to provide for the wellbeing of Maine citizens during the pandemic. An additional $64.9 million deappropriation due to continued enhanced FMAP the result of the ongoing declared state of health emergency is also proposed for the third quarter of this fiscal year. The details of the curtailment items are exactly as outlined in the document distributed on September 17th (and redistributed recently by Maureen).

Also as part of the curtailment order, we use a one-time infusion to the General Fund of $96.7 million from the Coronavirus Aid, Relief, and Economic Security (CARES) Act’s Coronavirus Relief Funds (CRF) for allowable payroll costs for certain public health and public safety employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

As such, as I testify on the supplemental throughout this week, I will refer to these in broader strokes of “curtailment initiative” rather than reading each of the individual lines from the supplemental. Of course, at any time should someone desire additional details, just ask and we can bring those to the work sessions.
Specifically, to the appropriations:

There are twelve initiatives in five departments.

And finally, there are revenue reductions the result of the tax conformity proposal relating to federal changes through the CARES Act and the Consolidated Appropriations 2021 Act.

The bottom line of the proposed FY21 supplemental, as adjusted today with the change package relating to tax conformity, is a balance of $44.2 million carrying into the FY22/23 biennium.

Now to the specifics.

There are 5 DAFS programs listed on today’s agenda. Each of the items included represent the deappropriation of savings identified through the curtailment process. The amounts identified in the Maine Board of Tax Appeals (Z146) and the Mandate-BETE-Reimburse Municipalities (Z065) can be found on page A-4. Savings from the Bureau of Revenue Services (0002), also known as Maine Revenue Services, and the Snow Grooming Property Tax Exemption Reimbursement (Z024) can be found on page A-5. Finally, the deappropriation of funds from the Waste Facility Tax Reimbursement program (0907) is on page A-7. These savings were identified after a review of projected expenses for fiscal year 2021 and do not result in a loss of services. The deappropriations in the Maine Board of Tax Appeals, Snow Grooming Property Tax Exemption Reimbursement, and Waste Facility Tax Reimbursement program are proposed to continue in the next biennium.

Now we will move to the language document.

**Maine Income Tax Provisions**

The most notable tax item in the supplemental budget is Maine’s conformity to federal tax legislation enacted during 2020 and the decoupling from a few of those federal changes. The supplemental budget, as originally submitted on January 8th, did not address all the federal legislation because substantial federal tax provisions were enacted in the Consolidated Appropriations Act, 2021, on December 27… just nine business days before the budget proposals were due. (As an
The Consolidated Appropriations Act, 2021, at 5,593 pages, is the longest bill ever passed by Congress.

The review is now complete, and the updated proposal for conformity is submitted today as a change package to the supplemental budget.

Annually, the Department of Administrative and Financial Services submits legislation or language to update the reference to the United States Internal Revenue Code in Title 36 of the Maine Revised Statutes. The Maine Legislature then reviews federal law changes to the Code since the last conformity date to determine whether it wants to conform to some or all the federal changes that impact Maine’s tax laws. This so-called “static conformity” is the result, in broad terms, of the Maine Constitution’s prohibition that the Legislature not “surrender the power of taxation.” The Legislature has enacted a limited number of provisions where the State automatically conforms to federal Code amendments without the need for additional state legislation.

I want to draw your attention to the fact that the economic disturbance caused by COVID-19 and the federal government’s extraordinary response have created completely unfamiliar situations and given rise to unprecedented questions of tax policy, and acknowledge the tremendous work the MRS staff has done these last 10 months.

Most of the workload and staffing at MRS are dedicated to tax administration and led by the Executive Director, Jerome Gerard. The Office of Tax Policy is responsible for providing legal and economic analysis for the Administration's tax proposals and legislative bills. This group is led by the Associate Commissioner for Tax Policy, Dr. Michael Allen.

As previously mentioned, MRS and the Legislature deal with issues of tax conformity annually. Each session this Department presents the Joint Standing Committee on Taxation with a Tax Conformity bill that typically contains minor changes, affecting a limited number of taxpayers, and of minimal fiscal impact—that is not the case this year.

The Families First Coronavirus Response Act (FFCRA), the Coronavirus Aid, Relief, and Economic Stability (CARES) Act, and most recently the Consolidated Appropriations Act, 2021 (CAA), all included significant tax provisions applicable to the 2020 tax year at the federal level, as well as tax years forward and back. Tax Conformity is being considered within the Supplemental Budget because it is of urgent importance to taxpayers filing their 2020 tax returns; many of the tax
treatment changes were extraordinary in order to stimulate the economy, they are of sizable financial consequence to a great many taxpayers who have fallen on tough times as a result of the pandemic and its implications, and some will demand difficult decisions because of the negative fiscal impact they would have upon the state budget.

The MRS staff has done yeoman’s work to thoroughly review these massive pieces of Federal legislation, analyze their impact on taxpayers, reconcile them with existing Maine law, and estimate their fiscal impact, so that the Administration could bring forth a well-informed, thoughtfully considered recommendation to the legislature. This has been particularly true these last three weeks as staff worked through the changes in the CAA, which came 4 days before the end of the 2020 tax year.

We anticipate that there are more tax changes to come—the Biden administration has already proposed another stimulus package to the new Congress—and the next round of changes are likely to come in the middle of this legislative session … and we will be in touch on that.

Meantime, we are braced for this tax filing season to be the most challenging that many long-term Maine Revenue Services’ employees have experienced. The tax returns filed this spring will reflect the economic upheaval experienced in 2020. Taxpayers will have much to navigate: like learning that unemployment benefits are taxable, or the implications of living or working remotely in a state different than before the pandemic. If individuals’ circumstances have changed, so too will the tax returns they file and their bottom line. Maine Revenue Services has always taken tremendous pride in providing exceptional customer service, and MRS staff will continue to work through these emerging issues with taxpayers and tax preparers as they encounter them, but we need to collectively recognize the incredible challenges to taxpayers, tax preparers, and Maine Revenue Services this filing season.

The Governor knows that taxes can be complicated enough without taking into consideration the added anxiety of a public health crisis and all the resulting tax code changes from recently passed relief measures. In a tax season that is sure to be like no other, Maine Revenue Services stands ready to assist Maine people and businesses who may need to discuss payment plans or request a waiver of penalties or interest due to personal circumstances resulting from the pandemic, and we encourage filers to reach out to us sooner rather than later to begin those conversations. The IRS will open the tax filing season on February 12,
and Maine’s dedicated public servants will be available then to confidentially, accurately, and efficiently process State returns, refunds, and extensions. From a high-level, this conformity effort was undertaken with the intention of maintaining a degree of stability and predictability for individual and corporate taxpayers in Maine, to conform to the Federal changes as much as possible, and to provide tax relief to Maine families and businesses during the ongoing COVID-19 pandemic. The proposal reduces the burden for Maine families and businesses by:

- Preserving the power of the Earned Income Tax Credit, which provides tax relief to middle- and low-income Maine families with children.

- Expanding the Educators Expense Deduction for Maine teachers, which allows them to deduct unreimbursed expenses for classroom materials, now including personal protective equipment, disinfectant, and other COVID-19 related supplies.

- Maintaining standard treatment so no Maine business owes State taxes on Paycheck Protection Program proceeds spent to keep employees on payroll or on other deductible expenses such as rent or utilities. The Administration would have preferred to fully conform to the Federal government’s double benefit, but, at an estimated cost of $100 million, it was not able to do so and balance the budget without additional federal aid to the states such as that which Congress recently rejected.

- Extending the State tax credit for Maine small businesses to help them recoup costs associated with providing paid family medical leave, thereby helping them keep people employed and ensuring Maine workers have the means to quarantine, isolate, and/or care for family members amid the pandemic.

- Providing to Maine families improved tax treatment and flexibility for health care spending, like qualified medical expenses or telehealth costs, to assist people with their health needs during the pandemic.

- Creating an allowance for any Maine resident whose work situation changed at the onset of COVID-19 to ensure they are not required to pay income tax to two states.

- Permitting graduates to claim the Opportunity Maine Tax Credit, which reimburses student loan payments, for completed student loan payments even if the graduate is unemployed during the pandemic.
This package maintains the Governor’s balanced budget and keeps Maine tax rates the same.

Here, I will be referencing the original Supplement Budget language document as well as Attachment B, Tax Conformity Change Package language document. Here are the specifics:

**Part B, on page 1** of the Supplemental Budget language document, proposes to update the Title 36 reference to the Internal Revenue Code of 1986 as amended through December 31, 2020. These updates apply retroactively to tax years beginning on or after January 1, 2018, and to any prior tax years as specifically provided by the Code.

Since the current date of Maine’s conformity to the Internal Revenue Code, December 31, 2019, the Federal Government has enacted several coronavirus relief laws that contain federal tax provisions with immediate Maine income tax implications and is considering enacting additional legislation. Many of the federal changes are designed to get liquidity in the hands of taxpayers by providing temporary tax cuts. The Federal Government is well suited to stimulate the economy and bolster employment in this way because of its ability to borrow. However, states with a balanced budget requirement, like Maine, don’t have that same capacity.

As I’ve said, the Administration’s conformity proposal is designed to avoid raising taxes and to provide tax stability, while minimizing the taxpayer compliance and State administrative burdens that can result from decoupling from the Code. To that end, the Administration is only proposing to decouple from retroactive or temporary federal changes; specifically, as follows.

**Part D, on page 1 of the change package**, decouples from the temporary Coronavirus Aid, Relief, and Economic Security Act, or “CARES Act,” suspension of the federal excess business loss limitation. **Part E, page 3 of the change package**, decouples from the temporary CARES Act relaxation of the federal business interest deduction limitation. **Part F, page 6 of the change package**, excludes qualified improvement property placed in service after December 31, 2017 and prior to January 1, 2020 from the Maine capital investment income tax credit, thereby avoiding the retroactive inclusion of this property. **Part G, page 8 of the change package**, decouples from the additional charitable contribution deduction allowed to corporations pursuant to the CARES Act for

Putting to the side for a moment **Part I**, this brings us to the additional state income tax conformity implications of the late December Consolidated Appropriations Act, and the Administration's income tax conformity proposals in the Change Package, **Parts V, W and X** – most importantly **Part V, page 11 of the change package**, addressing federal forgiveness of Paycheck Protection Program (“PPP”) loans, an issue facing state governments across the nation. Under longstanding federal and state tax law, when a loan is forgiven it generally gives rise to taxable, cancelation of debt income. This tax increase is offset by the deductible expenses paid for by the loan. While the taxable income and deductible expenses may not occur in the same year, in a general sense they do generally offset each other resulting in no, or little, net tax harm or benefit. Maine law currently operates under this longstanding principal – when the PPP loans are forgiven, they generate taxable income which is offset by the deductible expenses (for instance, wages) that were funded by the forgiven loans (and thus ultimately paid for by the Federal Government).

When the CARES Act was enacted, the Federal Government reversed this longstanding principal – excluding the loans from cancelation of debt income as part of the coronavirus relief measures. Soon after enactment, the Internal Revenue Service (“IRS”) issued guidance requiring that the related expense deductions also be excluded, following general “no double benefit” tax principles. By excluding both the income and the deductions, the federal approach reached the same approximate result as current Maine law – that is, little, or no, net tax harm or benefit.

However, the Federal Government changed the tax treatment of the forgiven PPP loans again with the Consolidated Appropriations Act, 2021, enacted December 27. Now, the Federal Government allows a double benefit, both the exclusion of the forgiven loans from income and the allowance of related expense deductions – deductions that will now offset other income.

Effectively, the Federal Government is using the tax code to provide additional fiscal stimulus to PPP loan recipients, something that, as I mentioned before, the Federal Government is well situated to provide and we applaud. But, without additional funding to the states to pay for this effort, this is a conformity provision that is challenging state governments across the nation.
Recognizing the serious difficulties businesses are facing as a result of the pandemic, as I mentioned previously, the State has sought to assist businesses by using CRF funds to provide more than $250 million in additional economic recovery grants and depositing nearly $300 million into the Unemployment Trust Fund to avert enormous business tax increases.

For this item, the State is able to hold businesses harmless so that they do not have a tax liability resulting from the PPP they received, assuming the funds were spent on deductible expenses, but full conformity to provide the same level of stimulus as the Federal government would put the State’s budget out of balance by an estimated $100 million. Instead, Part V of the Governor’s supplemental budget proposes to maintain the longstanding, tax neutral treatment of forgiven loans.

This is an important item and a complex one. We have two illustrations. Let’s look at Attachment C-1, PPP Visual Excel. (We also have a PowerPoint that we will share.)

Even though this change was made just four days before the end of the 2020 tax year, it may be that some Maine businesses made estimated payments during 2020 assuming a double benefit for both their federal and state returns, instead of just the federal. Maine Revenue Services will be administratively providing a waiver of interest and penalty for taxpayers unable to timely pay as a result of this item.

Let me reiterate that the Administration would have preferred to fully conform to the Federal government’s double benefit for PPP, but, at an estimated cost of $100 million, we were not able to do so given Maine’s balanced budget requirement and absent additional federal aid to states.

Part W, page 13 of the change package, likewise decouples from similar federal treatment to certain other loan forgiveness and business financial aid assistance enacted in the Consolidated Appropriations Act, 2021. Finally, Part X, page 14 in the change package, decouples from the temporary expansion of the deduction for business meals also enacted in the Consolidated Appropriations Act, 2021 for tax years 2021 and 2022, but conforms for tax year 2020.

Despite decoupling from some of the costly provisions, conforming to the remainder of the federal tax legislation would still result in a revenue loss of approximately $10 million in fiscal year 2021. As an offset to the cost of conforming to the federal COVID-19 related changes, Part U, page 10 of the change package, proposes to decouple from the foreign-derived intangible
income, or “FDII,” deduction enacted by the federal Tax Cuts and Jobs Act of 2017. The FDII deduction provides a lower effective tax rate on excess returns earned by a U.S. corporation from foreign sales. The effectiveness of this federal tax expenditure has been questioned, but regardless of its effectiveness at the federal level, Maine’s conformity to the provision does not further the federal policy of preventing profit shifting. In fact, by decoupling from the deduction, Maine will still receive any benefits of the federal policy without incurring the cost.

Finally, in addition to the conformity items, two COVID-19 provisions are also included in the supplemental budget due to their time sensitive and emergency nature. **Part I, page 14 of the language document**, temporarily expands the Maine credit for taxes paid to another jurisdiction in order to provide relief to Maine resident taxpayers who are being taxed by both Maine and another jurisdiction on compensation earned in Maine as a result of teleworking in Maine due to the COVID-19 state of emergency. This Part also relaxes the work in Maine requirement of the educational opportunity tax credit.

In order to prepare for the February through April filing season, tax forms are developed over the fall by Maine Revenue Services and then implemented by electronic filing providers and sent to the printers at the end of the year. As such, they are now complete. Maine Revenue Services prepared the forms, at the Governor’s direction, to reflect the Supplemental Budget proposal while reserving blank lines to allow for modifications to that proposal by the Legislature.

This approach avoids the substantial confusion that would be caused by issuing tax year 2020 forms based on nonconformity but then enacting a law that substantially conformed for that year just as the filing season was beginning. At the same time, the forms for tax year 2020 were developed in a way that allows Maine Revenue Services to quickly update them based on any modifications to the Administration’s conformity proposal that the Legislature makes.

To prevent unnecessary complications in Maine’s income tax, both for taxpayers and the State, Maine should enact this proposal as soon as possible. The federal individual tax season will start on Friday, February 12, 2021, when the IRS will begin accepting and processing 2020 tax year returns. Maine’s filing season is expected to start around the same date. Implementation of this language results in a revenue loss of approximately $1.285 million in fiscal year 2021. The complete fiscal estimate is attached as Attachment D, Conformity Fiscal Impact.
The final language piece for DAFS is **Part K** beginning on **page 15 of the language document**. The 2020-2021 biennial budget included language authorizing the Department of Administrative and Financial Services to enter into financing arrangements related to the modernization of the tax collection system. This part amends the dates and duration of that agreement.

**Treasurer of the State, Office of**

Today’s agenda also includes two items for the Office of the Treasurer of the State. Both items are changes related to the impact of the revenue forecast from December 2020. We identified an error in the calculation of these allocation adjustments. I will provide you with the updated numbers.

The Disproportionate Tax Burden Fund can be found on page A-83. This initiative increases the allocation by $4,285,101 to bring them in line with projected available resources for fiscal year 2020-21.

The next item is in the State Municipal Revenue Sharing, also on page A-83. This initiative decreases the allocation by $10,891,763. Both of these adjustments are necessary to bring the allocations in line with projected resources based on the December 2020 report by the Revenue Forecasting Committee and incorporate changes from based on the recommendations for tax conformity.

In conclusion today, let me thank you for your attention and mention that Dr. Allen and other members of the Department’s tax policy team, particularly Daniel D’Alessandro and John Sagaser, will be available to answer questions related to the tax components, and Matt Colpitts, Deputy State Treasurer, is available for the Office of the State Treasurer.

Amid this deadly pandemic and quite unprecedented circumstances, I remain impressed at every turn with our ability to keep the ship steady and to make good on the promises of government, which, as you know, is to protect the wellbeing of our people and institutions. We are proud of this work and appreciate your partnership in it. We welcome your questions and thank you for your support.

This concludes the testimony for today. Thank you.
### GENERAL FUND STATUS - FUND BALANCE SUMMARY

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<td>Through 129th Legislature</td>
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### APPROPRIATIONS

| Appropriations through 129th Legislature/2022-2023 Baseline Budget | 4,152,371,423 | 4,152,371,423 | 4,152,371,423 |
| Proposed Emergency FY 21 Supplemental Budget |      |      |      |
| CURRULMENT - Departmental Savings Items (including Q1 & Q2 6.3 FMAP) | (125,096,531) | (125,096,531) |      |
| CURRULMENT - Public Health and public safety payroll eligible for CRF | (96,679,053) | (96,679,053) |      |
| DAFS - Funding for capital repair and construction | A-2 | 2,000,000 | 2,000,000 |
| DAFS - Workday human resource management system | A-1 | 4,695,000 | 4,695,000 |
| ConnectMAINE - broadband and mapping project | A-15 | 1,800,000 | 1,800,000 |
| DVM - Approved range change for 6 positions | A-20 | 243,282 | 243,282 |
| DOE - Aspirations program (post-secondary course payments) | A-17 | 1,500,000 | 2,500,000 |
| HHS - Additional FMAP (FY21 6.2 percentage point through Q3) | (64,901,579) | (64,901,579) |      |
| HHS - Increased GF based on decline in RFC tax revenues | 3,432,205 | 3,432,205 |      |
| HHS - SNAP penalty | A-43 | 1,335,770 | 1,335,770 |
| HHS - Comprehensive Child Welfare Information System | A-44 | 2,578,250 | 2,578,250 |
| HHS - Reallocation of positions in the Health & Environmental Testing Lab | A-45 | 583,700 | 583,700 |
| HHS - Reallocation of positions in the Health Inspection Program | A-45 | 127,128 | 127,128 |
| HHS - COVID-19 testing, vaccines, contact tracing, and quarantine supports | A-45 | 5,000,000 | 5,000,000 |
| HHS - Durable Medical Equipment, upper payment limit | A-45 | 948,211 | 948,211 |

**TOTAL APPROPRIATIONS:** 4,152,371,423 | 3,880,937,806 | 3,880,937,806 |

**NET CHANGE:** (606,485,882) | (116,964,699) | (139,982,137) |

**BEGINNING BALANCE:** 184,144,439 | 184,144,439 | 184,144,439 |

**NET CHANGE (FROM ABOVE):** (606,485,882) | (116,964,699) | (139,982,137) |

**ENDING BALANCE:** (422,341,443) | 47,179,740 | 44,162,302 |

FY21 beginning balance ties to OFPR GF Status: [http://maineliegislature.org/doc/4431](http://maineliegislature.org/doc/4431)